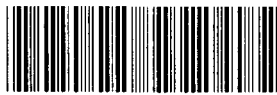


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OMB APPROVAL	
OMB Number:	3235-0123
Expires:	January 31, 2007
Estimated average burden	
hours per response.....	12.00

SEC FILE NUMBER
8- 2668

**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/04 AND ENDING 12/31/04
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: TRANSMITTAL SECURITIES CORP.

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

82 WALL ST.
(No. and Street)
NEW YORK NY 10005
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

BERNATH & ROSENBERG, P.C.
(Name - if individual, state last, first, middle name)
1430 BROADWAY 13th FL. NY NY 10018
(Address) (City) (State) (Zip Code)

CHECK ONE:

- ☐ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in United States or any of its possessions.

PROCESSED

MAR 17 2005

THOMSON
FINANCIAL

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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

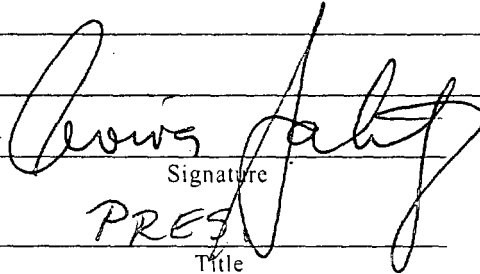
SEC 1410 (06-02)

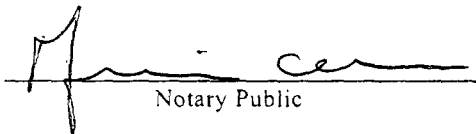
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OATH OR AFFIRMATION

I, AVIVA JAKUBOWITZ, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of TRANSMITTAL Securities Corp, as of December 31, 2004, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:


Signature
PRES
Title


Notary Public

MIRIAM COHN
Notary Public, State of New York
No. 41-4911063
Qualified in Rockland County
Commission Expires Nov. 2, 2005

This report ** contains (check all applicable boxes):

- ☐ (a) Facing Page.
- ☐ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☐ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	January 31, 2007
Estimated average burden hours per response.....	12.00

Form
X-17A-5

FOCUS REPORT
(Financial and Operational Combined Uniform Single Report)
PART II 11

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a) 16

2) Rule 17a-5(b) 17

3) Rule 17a-11 18

4) Special request by designated examining authority 19

5) Other 26

NAME OF BROKER-DEALER

Transmittal Securities Corp. 13

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

82 Wall St. 20

(No. and Street)

New York 21

(City)

NY 22

(State)

10005 23

(Zip Code)

SEC FILE NO.

12-003602 14

FIRM I.D. NO.

13-5629920 15

FOR PERIOD BEGINNING (MM/DD/YY)

Jan 1, 2004 24

AND ENDING (MM/DD/YY)

Dec 31, 2004 25

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Jacob I. Rosenberg 30

(Area Code) — Telephone No.

212-221-1140 31

NAMES OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

33

34

35

36

37

38

39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES ☒ 40 NO 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT

☒ 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements, and schedules remain true, correct and complete as previously submitted.

Dated the _____ day of _____

Manual signatures of:

1)

Principal Executive Officer or Managing Partner

2)

Principal Financial Officer or Partner

3)

Principal Operations Officer or Partner

ATTENTION — Intentional misstatement or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f(a))

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SEC 1695 (07-02) 1 of 28

TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (If individual, state last, first, middle name)

Bernath & Rosenberg P.C.

ADDRESS

1430 Broadway

71

NY

72

NY

73

10018

74

Number and Street

City

State

Zip Code

CHECK ONE

☒ Certified Public Accountant

75

☐ Public Accountant

76

☐ Accountant not resident in United States
or any of its possessions

77

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WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp

N 2

100

STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY)

SEC FILE NO.

Consolidated

Unconsolidated

99

98

198

199

ASSETS

Allowable

Non-Allowable

Total

1. Cash	\$ 220,537	200	\$ 220,537	750
2. Cash segregated in compliance with federal and other regulations	98,574	210	98,574	760
3. Receivable from brokers or dealers and clearing organizations:				
A. Failed to deliver:				
1. Includable in "Formula for Reserve Requirements"		220		
2. Other		230		770
B. Securities borrowed:				
1. Includable in "Formula for Reserve Requirements"		240		
2. Other		250		780
C. Omnibus accounts:				
1. Includable in "Formula for Reserve Requirements"		260		
2. Other		270		790
D. Clearing organizations:				
1. Includable in "Formula for Reserve Requirements"		280		
2. Other		290		800
E. Other		300	\$ 550	810
4. Receivables from customers:				
A. Securities accounts:				
1. Cash and fully secured accounts	157	310		
2. Partly secured accounts		320		560
3. Unsecured accounts				570
B. Commodity accounts		330		580
C. Allowance for doubtful accounts	()	335	()	590
5. Receivables from non-customers:				
A. Cash and fully secured accounts	1,000	340		
B. Partly secured and unsecured accounts		350		600
6. Securities purchased under agreements to resell		360		605
7. Securities and spot commodities owned, at market value:				
A. Bankers acceptances, certificates of deposit and commercial paper		370		
B. U.S. and Canadian government obligations		380		
C. State and municipal government obligations		390		
D. Corporate obligations		400		

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transitall Securities Corp.

as of 12/31/04

STATEMENT OF FINANCIAL CONDITION

		ASSETS			
		Allowable	Non-Allowable	Total	
E. Stocks and warrants	\$ <u>5,544</u>	410			
F. Options		420			
G. Arbitrage		422			
H. Other securities		424			
I. Sport commodities		430			
				\$ <u>5,544</u>	850
8. Securities owned not readily marketable:					
A. At Cost	\$ <u>130</u>	440	\$ <u>610</u>		860
9. Other investments not readily marketable:					
A. At Cost	\$ <u>140</u>				
B. At estimated fair value		450	620		870
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:					
A. Exempted securities	\$ <u>150</u>				
B. Other	\$ <u>160</u>	460	630		880
11. Secured demand notes- market value of collateral:					
A. Exempted securities	\$ <u>170</u>				
B. Other	\$ <u>180</u>	470	640		890
12. Memberships in exchanges:					
A. Owned, at market value	\$ <u>190</u>				
B. Owned at cost			650		
C. Contributed for use of company, at market value			660		900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships		480	670		910
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:					
At cost (net of accumulated depreciation and amortization)		490	680		920
15. Other Assets:					
A. Dividends and interest receivable		500	690		
B. Free shipments		510	700		
C. Loans and advances		520	710		
D. Miscellaneous		530	720		
16. TOTAL ASSETS	\$ <u>325,812</u>	540	1,689	\$ <u>1,689</u>	930
				\$ <u>327,501</u>	940

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp.

as of 12/31/01

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY (continued)

Liabilities	A.I. Liabilities*	Non-A.I. Liabilities*	Total
17. Bank loans payable:			
A. Includable in "Formula for Reserve Requirements"	\$ 1030	\$ 1240	\$ 1460
B. Other.....	1040	1250	1470
18. Securities sold under repurchase agreement....		1260	1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1050	1270	1490
2. Other.....	1060	1280	1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070		1510
2. Other.....	1080	1290	1520
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090		1530
2. Other.....	1095	1300	1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		1550
2. Other.....	1105	1310	1560
E. Other:	1110	1320	1570
20. Payable to customers:			
A. Securities accounts-including free credits of\$ 950	1120		1580
B. Commodities accounts.....	1130	1330	1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	1600
B. Commodities accounts	1150	1350	1610
22. Securities sold not yet purchased at market value-including arbitrage of\$ 960		1360	1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		1630
B. Accounts payable	1170		1640
C. Income taxes payable.....	200 1180		1650
D. Deferred income taxes		1370	1660
E. Accrued expenses and other liabilities	3,835 1190		1670
F. Other	1200	1380	1680

OMIT PENNIES

*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp.

as of 12/31/04

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY (continued)

Liabilities	A.I. Liabilities*	Non-A.I. Liabilities*	Total
24. Notes and mortgages payable:			
A. Unsecured	\$ 1210		\$ 1690
B. Secured	25 1211	1390	1700
25. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:		1400	1710
1. from outsiders 24 \$ 970			
2. Includes equity subordination (15c3-1(d)) of \$ 980			
B. Securities borrowings, at market value from outsiders \$ 990		1410	1720
C. Pursuant to secured demand note collateral agreements		1420	27 1730
1. from outsiders \$ 1000			
2. Includes equity subordination (15c3-1(d)) of \$ 1010			
D. Exchange memberships contributed for use of company, at market value		26 1430	1740
E. Accounts and other borrowings not qualified for net capital purposes		1440	1750
26. TOTAL LIABILITIES	\$ 4,035 1230	1450	\$ 4,035 1760
Ownership Equity			
27. Sole Proprietorship			\$ 1770
28. Partnership-limited partners	\$ 1020		\$ 1780
29. Corporation:			
A. Preferred stock			1791
B. Common stock		28 50,000	1792
C. Additional paid-in capital		180,000	1793
D. Retained earnings		93,466	1794
E. Total		323,466	1795
F. Less capital stock in treasury		()	1796
30. TOTAL OWNERSHIP EQUITY		\$ 323,466	1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 327,501 1810

OMIT PENNIES

*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp

as of 12/31/04

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition - Item 1800	\$ 323,466	3480
2. Deduct Ownership equity not allowable for Net Capital	()	3490
3. Total ownership equity qualified for Net Capital	323,466	3500
4. Add:		
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		3520
B. Other (deductions) or allowable credits (List)	\$ 33	3525
5. Total capital and allowable subordinated liabilities	\$	3530
6. Deductions and/or charges:		
A. Total nonallowable assets from		
Statement of Financial Condition (Notes B and C)	\$ 1689	3540
1. Additional charges for customers' and non-customers' security accounts	\$	3550
2. Additional charges for customers' and non-customers' commodity accounts		3560
B. Aged fail-to-deliver		3570
1. Number of items	29 3450	
C. Aged short security differences-less reserve of	\$ 3460	3580
number of items	3470	30
D. Secured demand note deficiency		3590
E. Commodity futures contracts and spot commodities - proprietary capital charges		3600
F. Other deductions and/or charges		3610
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x)		3615
H. Total deductions and/or charges	1,689	3620
7. Other additions and/or allowable credits (List)		3630
8. Net capital before haircuts on securities positions	\$ 324,777	3640
9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1(f)):		
A. Contractual securities commitments	\$ 47	3660
B. Subordinated securities borrowings		3670
C. Trading and investment securities:		
1. Bankers' acceptances, certificates of deposit and commercial paper	31	3680
2. U.S. and Canadian government obligations		3690
3. State and municipal government obligations		3700
4. Corporate obligations		3710
5. Stocks and warrants	831	3720
6. Options		3730
7. Arbitrage		3732
8. Other securities	32	3734
D. Undue Concentration		3650
E. Other (List)		3736
10. Net Capital	\$ 320,899	3750

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp.

as of 12/31/04

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6 2/3% of line 19)	\$	<u>269</u>	<u>3756</u>
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	<u>250,000</u>	<u>3758</u>
13. Net capital requirement (greater of line 11 or 12)	\$	<u>250,000</u>	<u>3760</u>
14. Excess net capital (line 10 less 13)	\$	<u>70,899</u>	<u>3770</u>
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$		<u>3780</u>

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$		<u>3790</u>
17. Add:			
A. Drafts for immediate credit	\$	<u>3800</u>	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	<u>3810</u>	
C. Other unrecorded amounts (List)	\$	<u>3820</u>	<u>3830</u>
18. Deduct: Adjustment based on deposits in Special Reserve Bank Accounts (15c3-1(c)(1)(vii))	\$		<u>3838</u>
19. Total aggregate indebtedness	\$	<u>4035</u>	<u>3840</u>
20. Percentage of aggregate indebtedness to net capital (line 19 ÷ by line 10)	%	<u>0.01</u>	<u>3850</u>
21. Percentage of aggregate indebtedness to net capital <i>after</i> anticipated capital withdrawals (line 19 ÷ by line 10 less item 4880 page 25)	%		<u>3853</u>

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

22. 2% of combined aggregate debt items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$		<u>3870</u>
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$		<u>3880</u>
24. Net capital requirement (greater of line 22 or 23)	\$		<u>3760</u>
25. Excess net capital (line 10 less 24)	\$		<u>3910</u>
26. Percentage of Net Capital to Aggregate Debts (line 10 ÷ by line 17 page 8)	%		<u>3851</u>
27. Percentage of Net Capital, <i>after</i> anticipated capital withdrawals, to Aggregate Debts (line 10 less item 4880 page 11 ÷ by line 17 page 8)	%		<u>3854</u>
28. Net capital in excess of the greater of:			
A. 5% of combined aggregate debit items or \$120,000	\$		<u>3920</u>

OTHER RATIOS

Part C

29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	%		<u>3860</u>
30. Options deductions/Net Capital ratio (1000% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x) ÷ Net Capital	%		<u>3852</u>

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
 2. 6 2/3% of aggregate indebtedness or 2% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand notes covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

PART II - FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

BROKER OR DEALER Transitral Securities Corp. For the period (MMDDYY) from 01/01/04 3932 to 12/31/04 3933
 Number of months included in this statement 12 3931
 STATEMENT OF INCOME (LOSS)

REVENUE

1. Commissions:		
a. Commissions on transactions in listed equity securities executed on an exchange	\$	3935
b. Commissions on transactions in exchange listed equity securities executed over-the-counter		3937
c. Commissions on listed option transactions		3938
d. All other securities commissions		3939
e. Total securities commissions	40	3940
2. Gains or losses on firm securities trading accounts		
a. From market making in over-the-counter equity securities		3941
1. Includes gains or (losses) OTC market making in exchange listed equity securities	3943	
b. From trading in debt securities		3944
c. From market making in options on a national securities exchange		3945
d. From all other trading		61,166 3949
e. Total gains or (losses)		61,166 3950
3. Gains or losses on firm securities investment accounts		
a. Includes realized gains (losses)	4235	
b. Includes unrealized gains (losses)	4236	
c. Total realized and unrealized gains (losses)	41	3952
4. Profits or (losses) from underwriting and selling groups		3955
a. Includes underwriting income from corporate equity securities	4237	
5. Margin interest		3960
6. Revenue from sale of investment company shares		3970
7. Fees for account supervision, investment advisory and administrative services		3975
8. Revenue from research services		3980
9. Commodities revenue		3990
10. Other revenue related to securities business	42	3985
11. Other revenue		6,495 3995
12. Total revenue	\$	67,661 4030

EXPENSES

13. Registered representative's compensation	\$	4110
14. Clerical and administrative employees' expenses		66,389 4040
15. Salaries and other employment costs for general partners, and voting stockholder officers		4120
a. Includes interest credited to General and Limited Partners capital accounts	4130	
16. Floor brokerage paid to certain brokers (see definition)		4055
17. Commissions and clearance paid to all other brokers (see definition)	43	4145
18. Clearance paid to non-brokers (see definition)		4135
19. Communications		4060
20. Occupancy and equipment costs		15,350 4080
21. Promotional costs		4150
22. Interest expense		4075
a. Includes interest on accounts subject to subordination agreements	4070	
23. Losses in error account and bad debts		4170
24. Data processing costs (including service bureau service charges)	44	4186
25. Non-recurring charges		4190
26. Regulatory fees and expenses		4,380 4195
27. Other expenses		60,474 4100
28. Total expenses	\$	196,593 4200

NET INCOME

29. Income (loss) before Federal income taxes and items below (Item 12 less Item 28)		(78,930) 4210
30. Provision for Federal income taxes (for parent only)		4220
31. Equity in earnings (losses) of unconsolidated subsidiaries not included above	45	4222
a. After Federal income taxes of	39	4238
32. Extraordinary gains (losses)		4224
a. After Federal income taxes of		4239
33. Cumulative effect of changes in accounting principles		4225
34. Net income (loss) after Federal income taxes and extraordinary items	\$	4230

MONTHLY INCOME

35. Income (current month only) before provision for Federal income taxes and extraordinary items	\$	(5,658) 4211
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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp.

as of 12/31/04

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKER-DEALERS UNDER RULE 15c3-3 (See Rule 15c3-3, Exhibit A and Related Notes)

CREDIT BALANCES

1. Free credit balances and other credit balances in customers' security accounts (see Note A, Exhibit A, Rule 15c3-3)	4340
2. Monies borrowed collateralized by securities carried for the accounts of customers (see Note B)	4350
3. Monies payable against customers' securities loaned (see Note C)	4360
4. Customers' securities failed to receive (see Note D)	4370
5. Credit balances in firm accounts which are attributable to principal sales to customers	4380
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days	4390
7. **Market value of short security count differences over 30 calendar days old	4400
8. **Market value of short securities and credits (not to be offset by logs or by debits) in all suspense accounts over 30 calendar days	4410
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days	4420
10. Other (List)	4425
11. TOTAL CREDITS	4430

DEBIT BALANCES

12. **Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection net of deductions pursuant to Note E, Exhibit A, Rule 15c3-3	4440
13. Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver	4450
14. Failed to deliver of customers' securities not older than 30 calendar days	4460
15. Margin required and on deposit with Options Clearing Corporation for all option contracts written or purchased in customer accounts (see Note F)	4465
16. Other (List)	4469
17. **Aggregate debit items	4470
18. **Less 3% (for alternative method only—see Rule 15c3-1(f)(5)(i))	4471
19. **TOTAL 14c3-3 DEBITS	4472

RESERVE COMPUTATION

20. Excess of total debits over total credits (line 19 less line 11)	4480
21. Excess of total credits over total debits (line 11 less line 19)	4490
22. If computation permitted on a monthly basis, enter 105% of excess of total credits over total debits	4500
23. Amount held on deposit in "Reserve Bank Account(s)," including value of qualified securities, at end of reporting period	98,574 4510
24. Amount of deposit (or withdrawal) including \$ 4515 value of qualified securities	4520
25. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including \$ 4525 value of qualified securities	4530
26. Date of deposit (MMDDYY)	4540

FREQUENCY OF COMPUTATION

27. Daily ☒ 4332 Weekly ☐ 4333 Monthly ☒ 4334

** In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (f) of Rule 15c3-1.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp

as of

12/31/04

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKER-DEALERS UNDER RULE 15c3-3 (continued)

EXEMPTIVE PROVISIONS

28. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based (check only one)

- | | | |
|---|------|------|
| A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 | \$ | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained | | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.
Name of clearing firm <i>51</i> | 4335 | 4570 |
| D. (k)(3) — Exempted by order of the Commission | | 4580 |

Information for Possession or Control Requirements Under Rule 15c3-3

State the market valuation and number of items of:

- | | | |
|---|-----|------|
| 1. Customers' fully paid securities and excess margin securities not in the respondent's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frame specified under Rule 15c3-3. Notes A and B | \$ | 4586 |
| A. Number of items | | 4587 |
| 2. Customers' fully paid securities and excess margin securities for which instructions to reduce possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3. Notes B, C and D | \$ | 4588 |
| A. Number of items | 53 | 4589 |
| OMIT PENNIES | | |
| 3. The system and procedures utilized in complying with the requirement to maintain physical possession or control of customers' fully paid and excess margin securities have been tested and are functioning in a manner adequate to fulfill the requirements of Rule 15c3-3 | Yes | 4584 |
| | No | 4585 |

NOTES

A—Do not include in item one customers' fully paid and excess margin securities required by Rule 15c3-3 to be in possession or control but for which no action was required by the respondent as of the report date or required action was taken by respondent with the time frames specified under Rule 15c3-3.

B—State separately in response to items one and two whether the securities reported in response thereto were subsequently reduced to possession or control by the respondent.

C—Be sure to include in item two only items not arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3.

D—Item two must be responded to only with report which is filed as of the date selected for the broker's or dealer's annual audit of financial statements, whether or not such date is the end of a calendar quarter. The response to item two should be filed within 60 calendar days after such date, rather than with the remainder of this report. This information may be required on a more frequent basis by the Commission or the designated examining authority in accordance with Rule 17a-5(a)(2)(iv).

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp

as of

12/31/04

SCHEDULE OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION

CUSTOMER'S REGULATED COMMODITY FUTURES ACCOUNTS

SEGREGATION REQUIREMENTS

1. Net ledger balance:	
A. Cash	7010
B. Securities (at market)	7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market	7030
3. Exchange traded options:	
A. Add: Market Value of an open option contracts purchased on a contract market	7032
B. Deduct: Market Value of an open option contracts granted (sold) on a contract market	7033
4. Net equity (deficit) (total of 1, 2 and 3)	7040
5. Add accounts liquidating to a deficit and accounts with debit balances with no open trades	7050
6. Amount required to be segregated (total of 5 and 4)	7060

FUNDS ON DEPOSIT IN SEGREGATION

7. Deposited in segregated funds bank accounts:	
A. Cash	7070
B. Securities representing investments of customers' fund (at market)	7080
C. Securities held in particular customers or option customers in lieu of cash (at market)	7090
8. Margin on deposits with clearing organizations of contract markets:	
A. Cash	7100
B. Securities representing investments of customers' fund (at market)	7110
C. Securities held in particular customers or option customers in lieu of cash (at market)	7120
9. Settlement due from (to) clearing organizations of contract markets	7130
10. Exchange traded options:	
A. Add: Unrealized receivables for option contracts purchased on contract markets	7132
B. Deduct: Unrealized obligations for option contracts granted (sold) on contract markets	7133
11. Net equities with other FCMS	7140
12. Segregated funds on hand:	
A. Cash	7150
B. Securities representing investments of customers' funds (at market)	7160
C. Securities held for particular customers in lieu of cash (at market)	7170
13. Total amount in segregation *total of 7 through 12)	\$ 7180
14. Excess (insufficiency) funds in segregation (13 minus 6)	\$ 7190

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp.

as of

12/31/04

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposal Withdrawal or Accrual See below for code to enter	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)	
54	4600	4601	4602 \$	4603	4604	4605
55	4610	4611	4612	4613	4614	4615
56	4620	4621	4622	4623	4624	4625
57	4630	4631	4632	4633	4634	4635
58	4640	4641	4642	4643	4644	4645
59	4650	4651	4652	4653	4654	4655
60	4660	4661	4662	4663	4664	4665
61	4670	4671	4672	4673	4674	4675
62	4680	4681	4682	4683	4684	4685
63	4690	4691	4692	4693	4694	4695
Total \$			64	4699*		

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* To agree with the total on Recap (Item No. 4880)

Instructions: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c)(2)(iv)), which could be required by the lender on demand or in less than six months.

WITHDRAWAL CODE:

DESCRIPTIONS

- | | |
|----|------------------------------|
| 1. | Equity Capital |
| 2. | Subordinated Liabilities |
| 3. | Accruals |
| 4. | 15c3-1(c)(2)(iv) Liabilities |

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

Capital Withdrawals

PART II

BROKER OR DEALER

Transmittal Securities Corp

as of

12/31/04

RECAP

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

1. Equity Capital

A. Partnership Capital:

1. General Partners	55 \$	4700
2. Limited		4710
3. Undistributed Profits		4720
4. Other (describe below)		4730
5. Sole Proprietorship		4735

B. Corporation Capital:

1. Common Stock		4740
2. Preferred Stock		4750
3. Retained Earnings (Dividends and Other)	55	4760
4. Other (describe below)		4770

2. Subordinated Liabilities

A. Secured Demand Notes		4780
B. Cash Subordinates		4790
C. Debentures		4800
D. Other (describe below)		4810

3. Other Anticipated Withdrawals

A. Bonuses		4820
B. Voluntary Contributions to Pension or Profit Sharing Plans	57	4860
C. Other (describe below)		4870

Total \$ 4880

4. Description of Other

STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period		\$ 312,398	4240
A. Net income (loss)		(78,932)	4250
B. Additions (includes non-conforming capital of	\$	4263	58 4260
C. Deductions (includes non-conforming capital of	\$	4272	4270
2. Balance, end of period (From Item 1800)		\$ 323,460	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period		\$	4300
A. Increases			4310
B. Decreases			4320
4. Balance, end of period (From Item 3520)		\$	4330

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp

as of 12/31/04

FINANCIAL AND OPERATIONAL DATA

1. Month end total number of stock record breaks unresolved over three business days

	Valuation	Number
A. breaks long	\$ 4890	4900
B. breaks short	\$ 4910	4920
2. Is the firm in compliance with Rule 17a-13 regarding periodic count and verification of securities positions and locations at least once in each calendar quarter?
(Check one) Yes ☒ 4930 No ☐ 4940
3. Personnel employed at end of reporting period:

A. Income producing personnel	4950
B. Non-income producing personnel (all other)	4960
C. Total	4970
4. Actual number of tickets executed during current month of reporting period 4980
5. Number of corrected customer confirmations mailed after settlement date 4990

	No. of Items	Debit (Short Value)		No. of Items	Credit (Long Value)
6. Money differences	5000	\$ 5010		5020	\$ 5030
7. Security suspense accounts	5040	\$ 5050		5060	\$ 5070
8. Security difference accounts	5080	\$ 5090		5100	\$ 5110
9. Commodity suspense accounts	5120	\$ 5130		5140	\$ 5150
10. Open transactions with correspondents, other brokers, clearing organizations, depositories and interoffice and inter- company accounts which could result in a charge — unresolved amounts over 30 calendar days	5160	\$ 5170		5180	\$ 5190
11. Bank account reconciliations — unresolved amounts over 30 calendar days	5200	\$ 5210		5220	\$ 5230
12. Open transfers over 40 calendar days, not confirmed	5240	\$ 5250		5260	\$ 5270
13. Transactions in reorganization accounts — over 60 calendar days	5280	\$ 5290		5300	\$ 5310
14. Total	5320	\$ 5330		5340	\$ 5350

	No. of Items	Leger Amount		Market Value
15. Failed to deliver 11 business days or longer (21 Business Days or longer in the case of Municipal Securities)	5360	\$ 5361		5362
16. Failed to receive 11 business days of longer (21 business Days or longer in the case of Municipal Securities)	5363	\$ 5364		5365
17. Security concentrations (See instructions in Part I):				
A. Proprietary positions		\$ 5370		5374
B. Customers' accounts under Rule 15c3-3		\$ 5378		5380
18. Total of personal capital borrowings due within six months		\$ 5382		5384
19. Maximum haircuts on underwriting commitments during the period		\$ 5386		5388
20. Planned capital expenditures for business expansion during next six months		\$ 5390		5392
21. Liabilities of other individuals or organizations guaranteed by respondent		\$ 5394		5396
22. Lease and rentals payable within one year		\$ 5398		5400
23. Aggregate lease and rental commitments payable for entire term of the lease				
A. Gross		\$ 5402		5404
B. Net		\$ 5406		5408

OMIT PENNIES

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	October 31, 2004
Estimated average burden hours per response.....	12.00

Form
X-17A-5

FOCUS REPORT
(Financial and Operational Combined Uniform Single Report)
Schedule I

INFORMATION REQUIRED OF BROKERS AND DEALERS PURSUANT TO RULE 17a-5
Report for the Calendar Year 20 4 1 8004
of if less than 12 months

Report for the period beginning / / 8005 and ending / / 8006
MM DD YY MM DD YY

SEC FILE NUMBER
8-12-003602 <u>8011</u>

1. NAME OF BROKER DEALER

Transmittal Securities Corp. 8020 **N9** 8021
Firm No. M M Y Y

OFFICIAL USE ONLY

2. Name(s) of Broker-dealer(s) merging with respondent during reporting period:

		OFFICIAL USE ONLY	
▼ ₃ NAME:	<u>8053</u>	▼ ₄₀	<u>8057</u>
▼ ₄ NAME:	<u>8054</u>		<u>8058</u>
▼ ₅ NAME:	<u>8055</u>		<u>8059</u>
▼ ₆ NAME:	<u>8056</u>		<u>8060</u>

3. Respondent conducts a securities business exclusively with registered broker-dealers:

(enter applicable code: 1 = Yes 2 = No) 2 8073

4. Respondent is registered as a specialist on a national securities exchange.

(enter applicable code: 1 = Yes 2 = No) 2 8074

5. Respondent is registered as a specialist on a national securities exchange.

(a) equity securities (enter applicable code: 1 = Yes 2 = No) 2 8075

(b) municipals (enter applicable code: 1 = Yes 2 = No) 2 8076

(a) other debt instruments (enter applicable code: 1 = Yes 2 = No) 2 8077

6. Respondent is registered solely as a municipal bond dealer:

(enter applicable code: 1 = Yes 2 = No) 2 8078

7. Respondent is an insurance company or an affiliate of an insurance company:

(enter applicable code: 1 = Yes 2 = No) 2 8079

8. Respondent carries its own public customer accounts:

(enter applicable code: 1 = Yes 2 = No) 1 8084

9. Respondent's total number of public customer accounts:

(carrying firms filing X-17A-5 Part II only)

(a) Public customer accounts 151 8080

(b) Omnibus accounts 0 8081

10. Respondent clears its public customer and/or proprietary accounts:

(enter applicable code: 1 = Yes 2 = No) 1 8085

FOCUS REPORT

Schedule I

page 2

11. Respondent clears its public customer accounts in the following manner:

(enter a "1" in appropriate boxes)

- (a) Direct Mail (New York Stock Exchange Members Only) 8086
- (b) Self-Clearing 8087
- (c) Omnibus 8088
- (d) Introducing 8089
- (e) Other 8090

If Other please describe:

- (f) Not applicable 8091

12. (a) Respondent maintains membership(s) on national securities exchange(s):

(enter applicable code: 1 = Yes 2 = No)

2 8100

(b) Names of national securities exchange(s) in which respondent maintains memberships:

(enter a "1" in appropriate boxes)

- (1) American 8120
- (2) Boston 8121
- (3) CBOE 8122
- (4) Midwest 8123
- (5) New York 8124
- (6) Philadelphia 8125
- (7) Pacific Coast 8126
- (8) Other 8129

13. Employees:

- (a) Number of full-time employees 3 8101

- (b) Number of full-time registered representatives employed by respondent included in 13(a) 1 8102

14. Number of NASDAQ stocks respondent makes market 8103

15. Total number of underwriting syndicates respondent was a member 8104

(Carrying or clearing firms filing X-17A-5 Part II)

16. Number of respondent's public customer transactions: Actual 8105

Estimate 8106

- (a) equity securities transactions effected on a national securities exchange 8107

- (b) equity securities transactions effected other than on a national securities exchange 8108

- (c) commodity, bond, option, and other transactions effected on or off a national securities exchange 8109

FOCUS REPORT

Schedule I

page 3

17. Respondent is a member of the Securities Investor Protection Corporation
(enter applicable code: 1 = Yes 2 = No) ... ☐ 13 ☒ 8111
-
18. Number of branch offices operated by respondent ☐ 8112
-
19. (a) Respondent directly or indirectly controls, is controlled by, or is under
common control with, a U.S. bank
(enter applicable code: 1 = Yes 2 = No) ☒ 8130
- (b) Name of parent or affiliate ☐ 8131
- (c) Type of institution ☐ 8132
-
20. Respondent is an affiliate or subsidiary of a foreign broker-dealer or bank
(enter applicable code: 1 = Yes 2 = No) ☒ 8113
-
21. (a) Respondent is a subsidiary of a registered broker-dealer
(enter applicable code: 1 = Yes 2 = No) ☒ 8114
- (b) Name of parent ☐ 12 ☐ 8116
-
22. Respondent is a subsidiary of a parent which is not a registered broker or dealer
(enter applicable code: 1 = Yes 2 = No) ☒ 8115
-
23. Respondent sends quarterly statements to customers pursuant to
10b-10(b) in lieu of daily or immediate confirmations:
(enter applicable code: 1 = Yes 2 = No)* ☒ 8117
-
24. Aggregate Dollar Amount of Non-exempted OTC Sales of Exchange-Listed
Securities Done by Respondent During the Reporting Period \$ ☐ 8118

*Required in any Schedule I filed for calendar year 1978 and succeeding years

TRANSMITTAL SECURITIES CORP.

FINANCIAL STATEMENTS

DECEMBER 31, 2004



BERNATH & ROSENBERG, P.C.
CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL PLANNERS

James H. Bernath CPA/PFS, CFP
Jacob I. Rosenberg CPA/PFS, CFP

1430 Broadway, 13th Floor
New York, NY 10018-3308
Tel: (212) 221-1140
Fax: (212) 221-1944

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
TRANSMITTAL SECURITIES CORP.
New York, NY

We have audited the accompanying statement of financial condition of **TRANSMITTAL SECURITIES CORP.**, a New York corporation, as of December 31, 2004 and the related statements of income and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **TRANSMITTAL SECURITIES CORP.**, as of December 31, 2004 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

BERNATH & ROSENBERG, P.C.
Certified Public Accountant

New York, NY
February 10, 2005

TRANSMITTAL SECURITIES CORP.
Statement of Financial Condition
As at December 31, 2004

ASSETS

Current Assets	
Cash in Banks	\$ 220,537
Securities Owned at Market Value	5,544
Receivable From Customers	157
Receivable From Brokers	1,000
	<hr/>
Total Current Assets	227,238
Other Assets:	
Special Reserve Account for Exclusive Benefit of Customers (Note 2)	98,574
Sundry Assets	1,689
	<hr/>
Total Other Assets	100,263
	<hr/>
TOTAL ASSETS	\$ 327,501
	<hr/> <hr/>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities	
Payable to Customers	
Accrued Expenses and Taxes Payable	4,035
	<hr/>
Total Current Liabilities	4,035
	<hr/>
Total Liabilities	4,035
Stockholders' Equity	
Common Stock, No Par Value	
200 Shares Authorized and Issued	50,000
Additional Paid-in Capital	180,000
Retained Earnings	93,466
	<hr/>
Total Stockholder's Equity	323,466
	<hr/>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 327,501
	<hr/> <hr/>

See Notes to Financial Statements

TRANSMITTAL SECURITIES CORP.
Statement of Income and Retained Earnings
For the Year Ended December 31, 2004

INCOME:

Trading Income	\$ 61,166
Service Fee and Commission	627
Dividends and interest	5,868

Total Income	<u>67,661</u>
--------------	---------------

EXPENSES:

Office Salaries	66,389
Registration and Filing Fees	4,380
Rent	15,350
Subscriptions	199
Professional Fees	19,882
Office Expense	2,851
Utilities	2,411
Payroll Taxes	5,929
Bank Charges and Fees	3,309
Insurance	22,698
Miscellaneous	2,625

Total Expenses	<u>146,023</u>
----------------	----------------

Net loss Before Provision for Taxes	(78,362)
-------------------------------------	-----------

Provision for State and Local Corporate Income Taxes	<u>570</u>
--	------------

Net Loss	(78,932)
----------	-----------

Retained Earnings - Beginning	<u>172,398</u>
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Retained Earnings - Ending	<u><u>\$ 93,466</u></u>
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See Notes to Financial Statements

TRANSMITTAL SECURITIES CORP.
Statement of Cash Flows
For the Year Ended December 31, 2004

Cash flows from operating activities:

Net income	\$(78,932)
<hr/>	
Changes in assets and liabilities:	
Inventory of Securities	2,664
Due from Broker	22,000
Payable to Customers	(1,194)
Accrued Expenses, Taxes & Sundry Taxables	1,462
<hr/>	
Total adjustments	<u>24,932</u>
Net Cash Used in Operations	<u>(54,000)</u>

Cash flows from financing activities:

Proceeds from paid-in capital	<u>90,000</u>
Net cash provided (used) by financing activities	<u>90,000</u>
Net Decrease in Cash	36,000
Cash at January 1, 2003	<u>184,537</u>
Cash at December 31, 2003	<u><u>\$ 220,537</u></u>

Supplementary Disclosures:

Cash paid during the year for:
Income Taxes

\$ 570

See Notes to Financial Statements

TRANSMITTAL SECURITIES CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The Company prepares its financial statements and its income tax reports on the accrual basis. Securities on hand is recorded at market value as required for broker-dealers.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Company is engaged in brokerage activities whose counter parties consist of registered brokers or dealers. In the event, counter parties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counter-party. It is the Company's policy to review, as necessary, the credit standing of each counter-party with which it conducts business.

The Company has cash balances in banks in excess of the maximum amount insured by the Federal Deposit Insurance Corporation as of December 31, 2004.

NOTE 2 - SPECIAL RESERVE ACCOUNT

The reserve account of \$98,574.09 is in excess of reserve requirements.

NOTE 3 - CAPITAL REQUIREMENTS

The concept of the Net Capital Rule of the Securities Exchange Commission is liquidity, and requires a broker dealer to have sufficient liquid assets to cover liabilities. At December 31, 2004, the firm's net capital of \$320,899 computed in accordance with the Rule, exceeded the minimum requirement of \$250,000.

NOTE 4 - INTERNAL CONTROL

No material inadequacies in the firm's internal control were found to exist.

NOTE 5 - SECURITIES

Securities consist of marketable equity securities at quoted market values.

NOTE 6 - FORM X-17A-5

Part II of the most recent annual report on Form X-17A-5 of the corporation is available for examination and copying at its principal office at 82 Wall Street, New York, New York 10005, and at the Securities Exchange Commission.

NOTE 7 -

The Company leases space at 82 Wall Street, New York, N.Y. on a month to month basis, no formal lease exists.

See Auditors' Report.



BERNATH & ROSENBERG, P.C.
CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL PLANNERS

James H. Bernath CPA/PFS, CFP
Jacob I. Rosenberg CPA/PFS, CFP

1430 Broadway, 13th Floor
New York, NY 10018-3308
Tel: (212) 221-1140
Fax: (212) 221-1944

February 10, 2005

NASD Regulation, Inc.
District 10
NASD Financial Center
33 Whitehall Street
New York, NY 10004-2193

RE: Transmittal Securities Corporation

Gentlemen:

Please be advised that no material differences exist within the audited computation of net capital and the firm's corresponding unaudited FOCUS Report Part II.

Also, please be advised that no material differences exist between the audited computation of 15c3-3 reserve requirements and the firm's corresponding unaudited FOCUS Report Part II.

Also, please be advised that the company meets the requirements under SEC Rule 15c3-3 with respect to the information relating to the possession or control requirements.

Sincerely,

BERNATH & ROSENBERG, P.C.

cc: Transmittal
sb
enclosure

Jacob I. Rosenberg,
Certified Public Accountant